THE SECRETARY OF STATE

February 15, 1961

MEMORANDUM FOR THE PRESTDENT

Subject: Discussions with German Foreign Minister

In addition to the United States balance of payments problem and the German financial offer, the Germans have indicated that Foreign Minister von Brentano expects to discuss the following matters with me:

- *1) East-West relations, including Berlin and the Interzonal Trade agreement:
- NATO, including future possible reforms and the United States missile proposal made last December;
- the Federal Republic's discussions in Faris February 10-11 with the French and other members of the six European Economic Community countries;
- 4) German-Polish relations; and
- 5) disarmament. "

Inasmuch as some of these subjects may arise when you see Dr. von Brentano, I am sending you the following brief paragraphs on each of these topics, with copies of the more detailed briefing papers prepared for my discussions enclosed. You may wish to leave the raising of these various topics to German initiative.

1. East-West Relations. Berlin, and the IZT Agreement

Won Brentano will be anxious to know our thoughts on meetings with the Soviets. He will be looking for assurances that we shall continue to give high priority to the problems of Germany and Berlin and shall be firm in dealing with the Soviets on them. With respect specifically to Berlin, he may point to the dangers of the bloc tactic of piecemeal encroachments on West Germans' access to, and movement within, Berlin. (Most recently, on February 12, the East German regime refused to permit a number of prominent West German Evangelical Churchmen to enter East Berlin to attend a joint East-West German church service.)

The President might wish to give the Foreign Minister as much of our current thinking on negotiations with the Soviets as can now be divulged (keeping in mind, however, that the German Government's record for retaining confidences is not good). It will be important to reassure him of our interest in, and firmness on, the Berlin and German problems. We are, of course, reviewing our negotiating position on these subjects, but we have in mind no particular shifts in the character or emphasis of our plans. We shall in any case discuss them with our friends, including the Federal Republic, in due course. While we are experiencing a period of reduced Soviet pressure on Berlin as Khrushchev seeks to arrange negotiations with the West, pressures may well build up later this year. Meanwhile, we are alive to the dangers of the bloc's piecemeal tactics in Berlin: we feel the firm countermeasures the West Germans took last fall in meeting such encreachments are the proper response to such tactics.

2. NATO, including Possible Reforms and US Missile Proposal

If Dr. von Brentano raises reform of NATO, we propose to say we have no changes to recommend, but that we would be glad to consider any changes that the Germans or other NATO members may suggest. We are considering the NATO MEDF force concept and other questions of NATO strategy, but have not yet reached any conclusions. We also propose to tell the Germans that we continue to support maximum military integration in NATO.

3. European Economic Community - Paris Meeting February 10-11

The Foreign Minister may mention the meeting of the Heads of Government of the six European Economic Community countries in Paris on February 10-11. If a response is indicated, the President might wish to refer to the recent high-level message to Chancellor Adenauer and draw upon it as appropriate.

4. German-Polish Relations

The Foreign Minister may mention recent German-Polish contacts, which may well lead to expanded trade and cultural relations, and say his Government is making a serious effort to improve relations despite the obstacles of the Oder-Neisse line, Poland's recognition of the "GIR", and criticism by expellees and refugees in the Federal Republic. The President might wish to express his gratification and the hope that the Federal Government will use every suitable opportunity to expand its contacts and interests in Eastern Europe as a possible means of promoting free world influences there.

5. Disarmament

Dr. von Brentano may wish to raise the question of future moves by the West in the field of disarmament and stress the desirability for close advance consultation on this subject, with particular reference to his proposal for the creation in NATO of a standing group on disarmament. If this point is raised, the President may wish to state that Mr. McCloy, Adviser to the President on Disarmament, and the new US Disarmament Administration are currently conducting a fundamental review and study of the entire disarmament problem. For this reason, we do not envisage any early formal negotiations on this subject. Rather, we would wish to avoid substantive discussion of the disarmament problem in any forum until our review and study have been completed. Our Garman friends may rest assured that in reviewing and studying this problem, we will take into account any special interest any of our allies might have, and that in the course of this undertaking, we will consult with the governments concerned. The United States intends to keep NATO advised of its views on disarmament, and it shares the German concern for maximum unanimity and effectiveness of Western disarmament presentations. However, in view of the variety and complexity of political and technical problems involved, we believe that the procedure for such contacts should be as flexible as possible. We can assure our German friends that in addition to general consultations in NATO. we also intend to keep them advised of our thinking in the disarmament field on a bilateral basis, and that we would appreciate any suggestions or comments they might have in that connection. Although our effort in this area is still in its initial stage, Mr. McCloy will be happy to exchange preliminary views with Dr. von Brentano.

(At the NATO Ministerial Meeting in December 1960, Dr. von Brentano suggested that a standing group on disarmament be created in NATO, the purpose of which would be to coordinate and develop Western policies on that subject, and the idea was again revived in January. We have informed our missions in Paris and Bonn that, in view of our current review of the US disarmament policy, we consider establishment of such a body inopportune, at least at this time. Our Embassy in Bonn has reported that the Germans seem to appreciate our position.)

Dean Rusk

Enclosures:

- East-West relations, including Berlin and the Interzonal Trade agreement.
- 2. NATO, including possible reforms and US missile proposal.

ALCOHOL:

- 3. Europe of the Six.
- German-Polish relations.
- Disarmament.

DISCUSSION WITH FOREIGN MINISTER VON BRENTANO

Washington, February 16, 1961

Position Paper

East-West Relations, Including Berlin and Interzonal Trade Agreement

Anticipated German Position

Won Brentane will be anxious to know our thoughts concerning meetings with the Soriets, particularly at Summit level. The Germans are acutely aware that vital aspects of their destiny are in hands other than their own. Von Brentane will thus be looking for assurances that: 1) the United States, under the new Administration, will continue to give high priority to the problems of Germany and Berlin; and 2) we shall be entirely firm on these questions in any dealings with the USSR. In particular, we understand there is some concern in the German Government that our goal may be exclusively an interim agreement on Berlin, granting more concessions than we have hitherto been willing to grant, and dropping the reunification issue. We understand the Foreign Office is now reviewing Western plans, possibly with a view to giving reunification rather than Berlin the leading role.

With respect to the local situation in Berlin, the Foreign Minister may emphasize the dangers of the most recent bloc tactic of piecemeal encroachment directed principally at West German relations with Berlin. He may point to the Federal Republic's handling of the Interzonal Trade (IZT) Agreement as an effective countermeasure to such tactics.

Recommended US Position

We should give von Brentano as much of our current thinking on negotiations with the Soviets as can now be divulged. However, it should be kept in mind that, while frankness is desirable particularly in view of the chronic German sense of innecurity, the German Government does not have a good record for retaining confidences.

It will be important to reasure von Brentano that Germany and Barlin will remain major concerns of US policy. We are experiencing a period of conciliatory gestures by the Soviets toward the US and of restraint on Berlin, At the came time, Khrushchev has reiterated, both publicly and privately, his threat to sign a separate peace treaty

with East Germany. We think he is likely to withhold acute pressure from Berlin at this stage in his efforts to arrange negotiations with the West. If he sees no forward movement toward his objectives by summer, we believe he is likely to resort to militant pressure, for example in Berlin, to attain his goals.

We shall continue to insist on the maintenance of Western rights in Berlin. We are alter to the dangers of the bloof's piecemeal encroachment, and we consider the handling of the IZI Agreement to have been just the sort of vigorous countermeasure that is needed to deal with it. In any negotiation with the Soviets on Germany and Berlin, the basic principles which have guided us in the past will continue to guide us. Our planning, in the natural course of things, is under review, but we have in mind no particular shifts in the character or emphasis of our plans. (It would be well not to mention that we know of Foreign Office activity or conce m, while seeking, however, to reassure von Brentano on this score.) We shall in due course want to discuss the matter again with our friends, including the Federal Republic.

Discussion

German Attitude toward East-West Policies

The German Government has found US colicy toward Berlin and Germany. in the context of East-West relations, generally to its liking. There has, however, been a latent uneasiness lest the US sacrifice German interests to some extent in its efforts to reach a settlement with the USSR. This has not lead to any weakening of German support for our East-West policy. Germany has continued to regard us as among its firmest friends in the West. But the uneasiness has been present, and may be expected to come to the fore somewhat now that the familiar IS Administration has been replaced by a new one whose attitudes on Germany are as yet not entirely clear to the Germans. An additional source of sensitivity is the fact that the ability of the Adenauer Government to represent German interests effectively in the councils of the West, particularly in Washington, has been made much of by the Government in domestic politics. This is an election year in Germany, and the sensitivity will be heightened. Lastly, the US-German disagreement over financial matters, coming as the first major issue to arise with the new Administration, has undoubtedly nourished the Germans! general sense of insecurity.

Solutions to the Berlin Problem

Various attempts have been made to find a solution to the Berlin problem since the Soviets precipitated the current "crisis" in November 1958. Our experience gives little reason to think that a lasting settlement can be devised which, under current circumstances, will prove acceptable to both East and West. However, if such a settlement is possible, it will almost certainly have to be within some broader context. In the past the West has sought mainly to use the context of the German question as a whole. It put forward at the Geneva Foreign Ministers Conference in May 1959 a Western Peace Plan based on this principle. This Plan, which provided for a phased settlement involving Berlin, German reunification, and a European security arrangement, proved unacceptable to the Soviets, as their proposed plan (embodying a German peace treaty which would have the effect of formalizing the existence of two German States, and a "Free City" status for West Berlin) did to the West. It is possible that another context can be found. For example, Chancellor Adenauer has for some time maintained that the German question can only be solved within the framework of a general disarmament settlement.

Apart from a lasting settlement in a larger context, consideration has been given to the possibility of an agreement with the Soviets on some sort of interim modus vivend! for Berlin alone. The West made such a proposal at Geneva in 1959, and the Soviets gave the French on May 9, 1960 a plan of their own. Our plan provided for an agreement on continued unrestricted access to Berlin in return for a ceiling on Western troop strength there and a statement that such troops would have only conventional weapons. The Soviets proposed an interim arrangement looking toward a "Free City" status for West Berlin. The Soviets did not accept our plan, and we considered that theirs was unacceptable.

We believe that a review of the Western negotiating position, already begun with the Department, should proceed as rapidly as possible. Subsequently, discussions with the UK, France and Gormany will need to be held, in the course of which the Germans will have ample opportunity to influence the Western postition.

We have, meanwhile, largely completed preparing, with the French and British, detailed contingency planning for dealing with the early stages of crises which might result from various degrees of Soviet threat to Berlin. In response to German requests the British, the French, and we informed them last December of the nature of our plans and stated our belief that they should be brought into the planning as far as possible consistent with special irripartite responsibilities.

Berlin Harassment and the IZT

During 1960 the Soviets and East Germans intensified their tactic of harassing West German access to and movement within Berlin. Their principal action was an East German decree of September 8 which required West Germans to obtain East German permits to enter East Berlin. In retaliation for this move, West Germany cancelled the Interzonal Trade (IZT) Agreement with the East Germans which was to have come into effect January 1, 1961. The US banned export of certain key commodities to East Germany, and the US, UK and Frence, with NATO cooperation, denied issuance to almost all categories of East Germans of Temporary Travel Documents (TTDs are, in effect, passports for travel to Western countries not recognizing East Germany). As a result particularly of West German pressure, the East Germans eventually agreed to make a number of concessions, including non-application of the September 8 decree,, and the IZT Agreement was put into effect on schedule. We removed our export bans, as well. However, East German authorities have not ceased to require entry permits and on February 12 prevented a number of prominent West German Evangelical Churchmen from attending a joint East-West German church service in East Berlin. As a result, we have held up a planned return to normal TTD controls and have suggested that the West Germans take retaliatory action in the trade field.